

RIKER, DANZIG, SCHERER, HYLAND & PERRETTI LLP
Joseph L. Schwartz, Esq. (N.J. Bar No. JS-5525)
Kevin J. Larner, Esq. (KL-8627)
Headquarters Plaza, One Speedwell Avenue
P.O. Box 1981
Morristown, New Jersey 07962-1981
(973) 538-0800

-and-

500 Fifth Avenue, Suite 4920
New York, New York 10110
(212) 302-6574

Attorneys for Involuntary Debtor, Signature Apparel Group, LLC

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

SIGNATURE APPAREL GROUP, LLC,

Involuntary Debtor.

Chapter 7

Case No. 09-15378 (JMP)

**DECLARATION OF JOSEPH L. SCHWARTZ IN SUPPORT OF ORDER TO
SHOW CAUSE SCHEDULING A HEARING ON THE DEBTOR'S EMERGENCY
MOTION MODIFYING AUTOMATIC STAY TO PERMIT DEBTOR TO
FACTOR ACCOUNTS RECEIVABLE AND OBTAIN POST-PETITION
FINANCING FROM CIT GROUP/COMMERCIAL SERVICES, INC. FOR
PAYMENT OF CRITICAL INVOLUNTARY GAP PERIOD EXPENSES**

I, Joseph L. Schwartz, hereby declare pursuant to 28 U.S.C § 1746 as follows:

1. I am a partner at the law firm of Riker Danzig Scherer Hyland & Perretti, LLP, counsel to the above-captioned involuntary debtor, Signature Apparel Group, LLC (the “Debtor”) and am authorized to make this Declaration.

2. I submit this Declaration based upon personal knowledge except where otherwise indicated in support of the Order to Show Cause being submitted contemporaneously herewith to schedule a hearing on expedited notice with respect to the Debtor’s motion seeking an Order modifying the automatic stay to permit the

Debtor to factor its accounts receivable and obtain post-petition financing from CIT Group/Commercial Services, Inc. (“CIT”) for payment of critical involuntary gap period expenses (the “Motion”).

3. The Debtor respectfully submits that the expedited consideration of the Motion is necessary and appropriate. As is set forth in detail in the Motion, CIT is the Debtor’s prepetition lender and is the Debtor’s only potential source of credit during the involuntary gap period. Without further immediate funds from CIT, the Debtor does not have sufficient liquidity to operate its business operations during the involuntary gap period. Furthermore, CIT has informed the Debtor that, absent Court authority, CIT will not provide any further funding to the Debtor during the involuntary gap period.

4. As a result, the Debtor submits that an expedited hearing on the Motion is necessary.

Dated: Morristown, NJ
September 28, 2009

/s/ Joseph L. Schwartz
Joseph L. Schwartz, Esq.
Kevin J. Larner (KL 8627)
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& PERRETTI LLP
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-and-
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Attorneys for Involuntary Debtor,
Signature Apparel Group, LLC

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